



AMERICAN OBSERVER

News and Issues—With Pros and Cons

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Business Picture Changes in U. S.

Nation Views Recent Decline And Studies the Problem Of What Lies Ahead

DURING 1957, America set a new record for production of goods and services. But the increase over 1956 was small, because of a business slump which began several months ago and still continues.

Last year's total output was valued at 433.9 billion dollars, compared to 430.3 billion (in terms of 1957 prices) for the previous year. These are among the facts in a general economic report which President Eisenhower recently sent to Congress.

As to the future, Eisenhower expects a business upturn within the next several months, and he thinks that 1958 will end as a fairly prosperous year. Many observers regard the President as too optimistic on this point. They believe America faces a long period of comparatively poor business conditions.

Before going further into this matter, let's look at some additional facts on what the American people are producing, earning, and spending.

Mixed outlook. In the last 10 years, while the U. S. population has made a 20% growth, production has risen 44%. Far more goods and services are thus available to the average American now than in the late 1940's.

Last year's output, though, did not keep pace with population growth. (Continued on page 6)



RED CHINA permits only government-approved photos to leave the country. Thus, while these youths are shown in a happy frame of mind, life for young and old alike in that land is mostly hard and grim.

Troubles Mount for Red China

Discontent Among People Is Increasing. Economic Crisis Slows Down Industrial Program and Focuses New Attention on Farming.

IN communist China, 3,000,000 students have been forced to leave school in recent months.

The government has decreed that they must give up their studies in grade and high schools, and go to work on farms. The young people will have no chance to take up their schooling again. The Red rulers have announced that these students are to become farmers, whether they like it or not.

The action is one way in which the communist government is moving to meet a growing crisis. Red China suffered severe economic setbacks last year. Today Mao Tse-tung and his associates are being forced to slow down the big industrial program on which they embarked a few years ago. They are giving new attention to increasing crop output.

These developments in China are being watched closely by U. S. leaders.

Our relations with the Asian country are sorely troubled today. What goes on inside Red China in the next few years is bound to affect—for better or for worse—U. S. standing in the Far Pacific area.

Two Chinas. There are, as we know, 2 distinct Chinas. One is communist China, while the other is Nationalist China.

Red China is the name applied to the mainland of this Far Eastern country. About the size of the United States and Mexico combined, it is the world's third largest nation in area—next after the Soviet Union and Canada. It is a great basin, separated from the rest of Asia by mountains and deserts along its borders.

The other China is Taiwan, headquarters of Nationalist China. Driven from the mainland by the communists late in 1949, Chiang Kai-shek and his followers now occupy this green, tropical island—approximately half the size of South Carolina—populated by about 9,200,000 people.

Prior to 1949, Chiang controlled the mainland. Under his leadership, China was an ally of ours in World War II. But after the global conflict ended, the communists triumphed in China's civil war. One reason for the Nationalist government's defeat was the extent of graft and corruption among its officials.

We have never recognized the Red government as being legal for China. We have no diplomatic representatives on the mainland. We continue to recognize the Taiwan regime as China's legal government.

It is plain, though, that the mainland is no longer under Chiang's control but is under tight communist (Continued on page 2)

HERE AND ABROAD - - - PEOPLE, PLACES, AND EVENTS

INVESTING ABROAD

A businessman from Kansas and a cattle dealer from San Francisco are among the growing number of U. S. businessmen who are extending badly needed loans to new businesses in India. Private American loans to Indian businessmen now total about \$250,000, and are growing all the time.

A special corporation, known as Private Enterprises, Inc., has been formed to handle the funds. Meanwhile, Indian businessmen have organized an association in their country to handle loan applications. The idea for aiding the business development of India was launched last August by William Graham, an American industrialist.

UNCLE SAM'S EXHIBITS

The United States will take part in 18 international trade fairs this year, including exhibits in Bombay and Moscow. That compares with 14 such international exhibits in 1957. This year's American overseas displays will include full-scale models

of typical United States industrial plants in operation.

SOVIET WOMEN

Women outnumber men in a number of occupations in Russia. About three-fourths of that country's teachers and two-thirds of its doctors are women. The fair sex outnumbers men in Soviet colleges and universities, too.

PRINCE AND THE REDS

"Many countries have not believed in the mortal danger of communism until after it was too late." With these words, Cambodia's Prince Norodom Sihanouk recently denounced Red efforts to gain power in his country. The Prince, a former Premier of Cambodia and still a powerful leader in his country, once cooperated closely with the communists.

SAFER BY AIR

It is safer to travel by air than by automobile, according to a recent study on accidents. Regular commer-

cial airlines had only 1 fatality for every 100,000,000 passenger miles flown in 1957. Auto deaths were estimated at nearly 6 per 100,000,000 passenger miles traveled over the same period of time.

RECORD TRADE

Uncle Sam sold more goods abroad last year than ever before in history, despite a decline which occurred in the closing months. Commercial exports came to 19½ billion dollars in 1957, and imports totaled around 13 billion in the same year.

MOVE THE CAPITAL?

Washington, D. C., will become a "ghost city" of historic buildings and monuments if South Carolina's Democratic Senator Olin Johnston has his way. Senator Johnston wants the national capital moved away from the East Coast to a point deep inside the country as a safety measure. He maintains that the present seat of government could be too easily destroyed by an enemy bomb.

China's Crisis

(Continued from page 1)

rule. It is this big, Red-dominated region that has given U. S. foreign-policy makers serious trouble.

Red China's people. A basic fact about communist China is its tremendous population. In this respect, it outranks all other countries. Population is generally estimated at about 582,000,000, though some experts believe that the figure is even higher.

At any rate, the population is so big that it is believed more than 1 out of every 5 persons in the world is Chinese. There are probably about 7 people in Red China to every 2 U. S. citizens.

The lives of China's millions are strictly directed along lines that the Red leaders decree. Mao Tse-tung and other Red officials are following the Russian pattern both in agriculture and industry. They run the country, and their orders are ruthlessly enforced. With the increasingly serious economic troubles of recent months, government control is stricter than ever before.

Farming. About 80 per cent of the people of China live off the land. Under the communist regime, big changes have taken place in the way these people work and live.

For hundreds of years, little plots of 2 or 3 acres were handed down within a family. Land was intensively cultivated. In northern China, wheat has long been the chief crop. In the south, the major crop is rice.

The Reds have put these family farms under government control. Today farm families are forced to pool their lands, tools, and labor on collective farms, and turn their crops over to the government for a low price.

The plan has not been a success. One of the reasons for combining many small plots into a single large one was to make the use of modern farm machinery practical. However, little farm machinery has been available, and so the benefits expected from



WOMEN and children wait for a ferry boat, an important means of transport in Red China—land of many rivers

mechanization have not been gained. Moreover, floods, droughts, and typhoons have cut deeply into crop harvests in the past 2 years.

A major factor in lagging crop output is the resentment of the farmers over government controls. Most farmers prefer to sell their own crops at whatever price they can get, but instead they have to turn them over to government agents at the price set by the communist leaders. In some places, farmers have banded together to hide a large part of the crops from the Red collectors.

The low crop output is today a matter of keen concern to Red China's leaders. It accounts for the recent decision to send many students, as well as thousands of office workers, into farm work. The government is

also going to put more emphasis next year on building fertilizer factories and on pushing irrigation projects.

Industry. The Reds are today working on a large-scale industrial program. In the past few years, they have made substantial progress along this line.

Hundreds of miles of railroads and highways are being constructed. Plans for new dams are going forward—dams which will produce large amounts of hydroelectric power as well as water for irrigation purposes. New industrial areas are being developed.

One of these new regions of steel mills and other factories is around Hankow on the Yangtze River. Another is at a site on the Yellow River directly west of Peking.

The communists have also repaired the industries once owned by the Japanese in Manchuria. (Japan held this part of China just before World War II.) This region, rich in natural resources, is today a center of steel factories, dockyards, power plants, and railways.

Yet with all the construction that has gone on in recent years, there are serious weaknesses in the industrial program. Planning has been too ambitious, and there has been widespread waste and inefficiency. Machinery is in short supply, and so are the mechanics and technicians needed to operate and care for complex equipment.

If the industrial program is to succeed, more raw materials will have to be found. Geologists and mining engineers are today searching desperately for iron ore, oil, coal, and other minerals. At present, these raw materials have not been discovered in sufficient quantity to provide for any great expansion of present industrial plans. There are many parts of the big country, though, that have not yet had thorough mineral exploration.

Today the industrial program is being slowed down. The government just doesn't have the money to keep it going on the scale at which it was first attempted. Industry, it is plain, is going to receive less emphasis for a time, while agriculture tries to catch up.

Living standards. When the Reds came into power, they promised that living standards would rise. So far, no big improvement has come about.

In fact, average income per person—about \$27 a year—is probably the lowest in the world. The Chinese exist on a minimum of food and clothing. Rice, fish, and wheat are staple items of diet. For both men and women, a blue cotton blouse and trousers are standard articles of apparel.

Country people often live in houses of dried mud or bamboo with thatched roofs. Floors are frequently of pounded earth. City homes are more like those in western nations, but most of them are small and crowded.

Today's economic troubles are going



COMMUNIST CHINA, with over 582,000,000 people, has more inhabitants than any other country, and is the third largest in area. It is estimated that more than 1 out of every 5 people in the world today is Chinese.

to mean less food and clothing in the months ahead. The grain ration has been lowered twice over the past year, and cotton cloth is harder to acquire than formerly.

The fact is that life under the Red regime has been a far cry from the paradise that the Chinese were led to expect. The people of China are today—as they have been for centuries past—among the most downtrodden human beings in the world. Now they are being asked to exert themselves even more—on less food and clothing—to make China a great, modern nation.

Government. About a week ago, the National People's Congress was scheduled to meet in Peking. In the communist constitution, this group of about 1,200 members is described as the highest organ of power. Actually it is a rubber-stamp organization which always approves whatever proposals are put before it by the Red leaders.

Today, the mainland of China is governed as a communist dictatorship, backed up by large and powerful armed forces. A group of Red officials led by Communist Party boss Mao Tse-tung and Premier Chou En-lai make the decisions.

How strong a hold do the Reds have on China? The backbone of communist support has been the young people of the country. While many of them are still fanatical party followers, others have begun to regard the Red regime realistically.

During the past year, student uprisings took place in Peking and several other cities. The communists were pitiless in their reaction. Some of the young rebels were executed. Others were imprisoned for terms running up to 15 years.

Older people have generally not been enthusiastic supporters of the Reds. Most of them accept conditions passively, though, and do not seem disposed to rebel.

"One hundred flowers." The ruthlessness of Mao's government may be judged from certain events of last year, when people were invited by the Red officials to make "constructive criticism." Such criticism, it was indicated, would prove that the government was really democratic and permitted freedom of expression.

Party boss Mao expressed the new policy in these words: "Let 100 flowers bloom, let 100 schools of thought contend."

The government apparently expected that criticism would be slight and would be directed at minor irritations rather than at the Communist Party. However, thousands promptly spoke up in bitter criticism of Red policies.

Reversing their stand, Mao and his



CHINESE COMMUNIST SOLDIER

associates forbade further criticism. Then they set out to punish all those who had accepted the government's invitation to speak up. Thousands have undergone execution, imprisonment, or severe persecution.

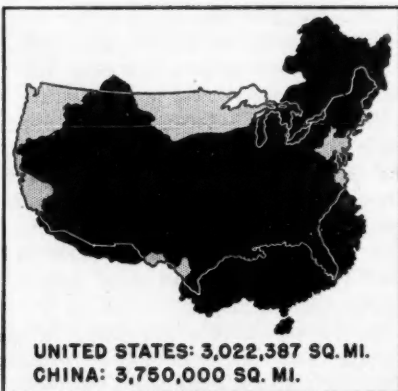
Thus ended Red China's experiment with freedom of expression. Today the people are under the strictest discipline from above.

Ties with Russia. Peking and Moscow are cooperating closely today. About 75 per cent of Red China's trade is with the Soviet Union. Russian engineers and technicians are helping China in its industrialization program.

The question is frequently asked whether these 2 big communist nations will continue to get along together. Observers feel that there are no signs of a falling-out at this time. They say that China is so dependent on Russia for machinery and other manufactured goods, the Chinese leaders dare not risk any disputes with the Soviet Union.

On the other hand, these observers think that there may be serious disagreements some time in the future. For one thing, Red China's expanding population (it may reach 1 billion by 1990) may spill over into underpopulated parts of Siberia to cause trouble. Old border disputes may come up again.

U. S. relations. Bitter disputes have marked relations between Red China



DRAWN FOR AMERICAN OBSERVER BY JOHNSON

and the United States. One of them concerns U. S. recognition of Mao's government. Another issue involves Peking's demands for membership in the United Nations.

A number of Americans feel that the time has come for us to re-examine our policies toward Red China. They say:

"As much as we dislike Mao's regime, it is unrealistic to deny recognition to a government which rules 98 per cent of China. We sorely need to have diplomatic representatives there to keep our government informed about what's going on in that country. Surely Red China is not so much a threat to us as Russia is—yet we recognize Russia and have an embassy in Moscow.

"UN membership for Red China should also be considered. (Perhaps a place might be made in the world body for both Taiwan and the communist regime.) Contact with many other nations in the UN might make Red China easier to get along with—certainly it couldn't make her any less cooperative. A softening of our relations with Red China would also put us in step with several of our allies and would strengthen our partnerships with them."

Though Britain and some of our other allies have recognized the communist regime, U. S. leaders declare we have no intention of doing so at



GICHNER, INC., WASHINGTON, D. C.

SHEET METAL WORKERS, if capable, generally can find jobs quite easily

A Career for Tomorrow

As a Sheet Metal Worker

POWER-DRIVEN shears, hammers, and welding and soldering equipment are some of the tools used by sheet metal workers in performing their duties.

If you choose this field, you will shape and install ducts used in air-conditioning and heating systems. You will also install a wide variety of other products made from thin metal sheets, such as roofing and siding, stainless steel kitchen equipment, store fronts, and metal shelves in industrial plants.

If you deal chiefly with metal heating and cooling ducts, you may start out your working day by making an estimate of materials and time needed to do the job. Next, you will prepare the layout of the ducts, purchase the materials, and set up the tools needed to shape and install the metal units. The ducts may be welded or soldered together, or connected in some other way.

Qualifications. Mechanical aptitude is a "must" requirement for success in this work. Applicants for apprenticeship programs must generally be between the ages of 17 and 21, and be in good physical condition.

Training. Take courses in mathematics, mechanical drawing, and other technical subjects in high school. If possible, it would be well to get a part-time job with a sheet metal contractor

in your area to find out whether or not you are suited for this type of work and to gain valuable experience.

When you are ready for your specialized training, you may proceed in one of several ways. You can go to a vocational school; start as a helper and learn the trade as you work with experienced men; or go through a formal apprenticeship.

The apprenticeship program usually covers 4 to 5 years and includes classroom study in addition to on-the-job training. Classroom subjects include mathematics, blueprint reading, and layout work. The program is usually conducted under the joint supervision of a labor union and employers in the field. You will receive some pay while learning.

Job outlook. The U. S. Department of Labor says there will be thousands of new job openings for skilled sheet metal workers for many years to come. There is a growing demand for persons trained in this field to install air-conditioning and heating systems, and for factory production of metal products.

Earnings. Wages vary from job to job and from one section of the country to another. Hourly wages range from \$2.50 to nearly \$4.00. An apprentice generally gets half of the journeyman's wage scale.

Advancement opportunities. If you are a willing and capable worker, you may advance to a job as foreman. There are also opportunities to start a sheet metal business of your own. You can open a small enterprise without too large an outlay of money.

Advantages and disadvantages. The pay is good and jobs are plentiful. Also, sheet metal work seldom slows down on account of bad weather conditions, as is the case in some other building trades.

But you run the risk of cuts and burns from the materials, tools, and equipment used in this trade. In addition, sheet metal workers must sometimes work in high and dangerous places.

Further information. Talk to sheet metal workers and building contractors in your area. The local office of the Sheet Metal International Association, AFL-CIO, can tell you about apprenticeship programs in your community.

—By HOWARD SWEET

—By ANTON BERLE

The Story of the Week

Missiles and Science

William Holladay, who is in charge of our missiles development program, has been given additional defense duties. These include the supervision of Army and Air Force research projects on how to track down and destroy enemy missiles. The Air Force is working on a special device to detect missiles flying many miles away, and the Army is developing weapons to destroy enemy missiles before they can hit their target.

A Department of Science will be added to the existing 10 big government departments if certain lawmakers have their way. Democratic Senators John McClellan of Arkansas and Hubert Humphrey of Minnesota have introduced a measure to establish a department for dealing with scientific activities.

The proposed new government office would include a number of scientific agencies now under other departments. It would also have other duties dealing with space activities and related matters.

The U. S. Public Health Service warns young future scientists not to conduct rocket experiments without the supervision of experts in the field. The government agency says there has been an alarming increase in serious injuries from accidents involving unsupervised rocket tests within recent months.

The United States and Britain have announced important progress in taming the H-bomb and putting its fearsome power to work for mankind. Experimental devices have already been developed which can harness hydrogen energy for peaceful purposes.

Scouts Celebrate

Boy Scouts throughout the nation are celebrating their organization's 48th birthday this week. It was on February 8, 1910, that Scouting became a nation-wide movement in the United States. Members of this organization throughout the country will have special programs to honor the event, which is being celebrated from February 7 to 13.

Altogether, there are about 4,700,000 Cubs, Scouts, Explorers, and adult leaders in the nation today. Since the



EASTFOTO



EASTFOTO



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CHINESE LEADERS (from left): Mao Tse-tung, Red Party boss, and Premier Chou En-lai of communist China; anti-communist President Chiang Kai-shek of the Nationalist Chinese government on the island of Taiwan (Formosa)

organization's founding, more than 27,500,000 Americans have been active in Scouting.

The Scout celebration this week will launch a year-long "Safety Good Turn" campaign—a project suggested by President Eisenhower, who is honorary head of the Scouting movement. Scouts will put up safety posters, sponsor safety demonstrations, and take other steps to fight deaths and injuries from accidents on our highways, out-of-doors, and in the home.

Chinese Leaders

In the 1940's, when Chinese cities were being smashed by Japanese bombs, distrust among 3 men doomed to failure their efforts to organize a strong unified government for their beleaguered country. These men included 2 communists—Mao Tse-tung and Chou En-lai—and Nationalist Chiang Kai-shek. The Red leaders and Chiang are still bitter enemies.

Mao Tse-tung, 65, is now boss of China's Communist Party, which controls the country's government on the mainland. As a youth he decided that communism was needed to overcome his land's poverty and lack of unity. In the early 1920's he helped organize the Chinese Communist Party, through which he launched his ruthless climb to power.

Mao's communist forces grew in size and strength until, after World War II, they were able to seize control of China from the Nationalist rule of

Chiang Kai-shek. The Reds then set up a harsh dictatorial form of government.

Chou En-lai, 60, is Premier and Foreign Minister of the Red Chinese regime. The son of impoverished but well-educated Chinese parents, Chou was an outstanding college student in his youth. He turned to communism largely because he felt that China's past governments were responsible for the poverty of his parents and other Chinese people.

Chou organized revolutionary groups in China during the 1920's and 1930's. He led the Red troops which eventually gained the upper hand in his country.

Chiang Kai-shek, 70, is a former ruler of China who now controls only the island of Taiwan (Formosa). Chiang served most of his life as a soldier and government official. He rose to leadership of his country in 1926 after the death of Sun Yat-sen, the founder of modern China.

In the late 1940's, the Reds drove Chiang and his Nationalist forces from the Chinese mainland to Taiwan. Chiang still regards himself as the rightful ruler of China and hopes to return to the mainland to oust the communists. The Reds, on the other hand, have vowed to take Taiwan and defeat the Nationalist leader.

Music Contest

Are you a good pianist, violinist, or cellist? If so, you may want to enter a contest sponsored by the National Symphony Orchestra in Washington, D. C.

To be eligible, you should be able to play a complete concerto from memory. You must be a high school student at the time of your application, and be recommended by your music teacher or school principal. All entries must be in by March 1 of this year, and the final tryouts will be held in Washington around May 1.

The winner of the contest will receive a cash award of \$2,000 and will be privileged to appear as a guest with the National Symphony Orchestra. A second prize of \$500, and a third prize of \$100 will also be offered. Both the second- and third-place winners will also get an opportunity to appear with the Symphony.

Meanwhile, the National Symphony Orchestra will treat high school students visiting the nation's capital to free concerts again this spring. The concerts, called "Music for Young America," have been held for the past

2 years and attended by many thousands of visiting students. They will be held daily from April 22 through May 25.

For further information about the contest, or for tickets to the free concerts, write to Ralph Black, National Symphony Orchestra, Hotel Roosevelt, 16th and V Streets, N.W., Washington 9, D. C.

Higher Military Pay?

Many of the 2,700,000 or so men in our armed forces will get higher earnings if Congress approves President Eisenhower's military pay plan.

Under the White House proposal, which is now being studied by Capitol Hill, all men in uniform with more than 2 years of service would get pay increases of 6 per cent. In addition, persons with special skills and abilities would get further pay boosts over the next 4 years.

The proposed plan doesn't call for any change in the existing pay of \$78 a month for new recruits. But a master sergeant whose earnings are now \$260 a month would receive \$300 under the plan. If he has special skills he would get additional pay boosts. Generals and admirals with earnings of \$1,406 a month would get \$1,606 by next July, and \$1,885 within 4 years.

Supporters of the Administration's plan contend that higher military pay is needed to keep men, particularly those with specialized skills, in the service. Opponents argue that military pay boosts at this time, when government spending is already at a record peacetime high, would put too great a burden on the taxpayer.

Know Your Congress

By what means do the political parties shape proposals in Congress and guide them through the legislative mill?

In both the House and the Senate, the members of each political party hold special meetings, called caucuses, to discuss policies and to choose persons to act as leaders on the floor of Congress. Each party names a steering or policy committee, which hammers out its programs and helps guide them through Congress.

The floor leader of each party serves as "chief strategist" in directing the affairs of his group. Party whips, who work under the supervision of the floor leaders, see to it that party members



NATIONAL SYMPHONY ORCHESTRA

YOUNG MUSICIANS will compete for prizes this spring in the nation's capital (see story). Shown here are Mrs. Merriweather Post, sponsor of the contest, and Susan Starr, pianist who took top honors in last year's competition.

are on hand to vote on important issues.

Is there a rule that requires Democrats and Republicans to sit on opposite sides of the aisles in Congress?

No, Congress has never adopted such a rule. The practice under which Republicans sit to the left of the presiding officer, and the Democrats sit to his right, grew up out of custom.

Troubled Venezuela

Venezuela, which has had a stormy past, hopes it can now look forward to an end to revolts and dictatorial rule. Leaders of the movement that overthrew former President Marcos Pérez Jiménez last month are determined to establish a stable democratic government in the years ahead.

Until he was overthrown in a bloody uprising, Jiménez ruled Venezuela with an iron hand. He took office in 1952 with army help, though he had been a powerful figure since 1948.

Over the years, resentment against Jiménez's rule grew, as the military dictator repeatedly turned down demands for free elections. Jiménez insisted that Venezuela's people weren't ready for democratic rule.

Early in January, Venezuela's small air force revolted against the Jiménez regime. Though the uprising was quickly crushed, opposition to the dictator's government continued to spread. Toward the end of January, resentment against him and his terroristic methods exploded into widespread strikes, riots, and fighting which forced the dictator out of power.

Venezuela has an area of 352,143 square miles—about the size of Texas and Utah combined. Many of the land's 6,000,000 people work on farms or in its rich oil fields. In addition to oil, Venezuela sells iron, cotton, coffee, and sugar to other nations.

Aid to India

Some months ago, India asked the United States for \$600,000,000 in loans. The big Asian land said it needs that amount of money urgently to meet the bills of its current 5-year program for improving farm production and bringing additional industries to India.

Representatives from India are now discussing their country's request for

aid with American officials. According to the latest information on these talks, Uncle Sam has offered to grant India a total of \$225,000,000 in loans plus an additional \$65,000,000 in surplus American farm products.

(For additional information on India's need for outside help, as well as pro and con arguments on American aid to that country, see October 7 issue of this paper.)

Television

Expert skating and a wide variety of songs and tunes are in store for viewers of a television musical to be shown next Sunday, February 9. The show is based on Elizabeth Mapes Dodge's classical story—"Hans Brinker or the Silver Skates"—about a heroic Dutch youth. The NBC program will be telecast in color from 6:30 to 8:00 p.m., EST.

Tab Hunter, winner of national skating honors, will play the title role of Hans Brinker. Dick Button, former world and Olympic skating champion, will take the part of Hans' friend, Peter. Other members of the cast include Peggy King, Basil Rathbone, and Jarmila Novotna.

McClellan Report

Not long ago, a committee headed by Democratic Senator John McClellan of Arkansas issued a report on its lengthy probe into alleged corruption and wrongdoing in union-management relations. The McClellan group summed up its findings, many of which had been publicized in past months, showing that certain union officials and businessmen have been guilty of corrupt dealings at the expense of workers.

Congress is now debating proposals, suggested by President Eisenhower late last month, aimed at correcting abuses revealed by the McClellan committee. Among other things, the White House labor program calls for (1) regular and full reports by unions and management on workers' welfare funds; (2) close government supervision of labor-management financial matters; (3) secret union elections for choosing officers.

Both business and labor leaders favor some of the President's proposals and oppose others.

THE LIGHTER SIDE

"I'll pay you next month."
"That's what you told me last month."
"Well, I'm not a person who goes around saying one thing one day and something else another time."



"It's a genuine walking stick."

Joe: Your roof is leaking. Does it always leak?

Gus: No. Only when it rains.

A girl seeking a job was asked if she had any particular qualifications for the position. She replied that she had won several crossword puzzle and slogan contests.

"That sounds good," replied the manager, "but we need someone who is smart during office hours."

"Oh," answered the girl, "this was during office hours."

Humor is desired in movies, but no Hollywood film can hope to be as funny as its press agents.

Gas Station Attendant: You asked for 5, sir, but it'll only take 4. Will you drive around a bit, and come back for the other one?

If you still believe that Mother Nature is never wasteful with her gifts, stop and consider the hippopotamus, with a hide one and a half inches thick, and not the slightest interest in politics.



ON SUNDAY EVENING (February 9), NBC-TV presents, from left, Tab Hunter, Peggy King, and Dick Button in "Hans Brinker or the Silver Skates"

Death to a Killer

Until quite recently, an estimated 200,000,000 persons throughout the world suffered from malaria. The disease caused a tragic toll of 2,000,000 deaths a year. In certain areas of the globe, malaria had been the No. 1 killer of human beings.

Now the dread disease is on the way out. Health officials say that if existing programs are continued, malaria will be all but completely stamped out by 1967. The disease is likely to linger on a bit longer only in a few remote spots of Africa and South America.

The fight against malaria is being waged by the World Health Organization (WHO), a United Nations agency, and by certain other international bodies. Uncle Sam contributes around \$23,300,000 a year to WHO and other groups to fight malaria.

First Woman Senator

In our January 6 issue we listed Mrs. Hattie Caraway as the first woman senator when she was named to that post in 1931. Actually, Mrs. Caraway was the first *elected* woman senator, for she successfully ran for that office after her appointment.

Mrs. Rebecca Felton of Georgia has the honor of being the first woman member of the U. S. Senate. She was appointed to that body in 1922 and served for 2 days before her elected successor, the late Walter George, took his seat.

Next Week's Articles

Unless unforeseen developments arise, next week's main articles will deal with (1) different types of democratic government, and (2) Venezuela.

Pronunciations

Arbenz—är'bēnz
Castillo Armas—kä-stēl'yō är'mās
Chou En-lai—jō ēn-lī
José Luis Cruz Salazar—hō-zā' lwēs krōōz sā-lā-sär'
Mao Tse-tung—mou dzū-dōōng
Marcos Pérez Jiménez—mār'kōs pēr'ēz hē-mā'nēs
Mario Mendez Montenegro—mā'rī-ō mēn'dēz mōn-tā-nā'grō
Miguel Ortiz Passarelli—mē-gēl' or-tēz' pā-sā-rēl'ī
Miguel Ydigoras Fuentes—mē-gēl' ē-dē'-gō-rās fwēn'tās
Norodom Sihanouk—naw-raw-dawn sē-ā-nōōk'

Your Vocabulary

In each of the sentences below, match the italicized words with the following word or phrase whose meaning is most nearly the same. Correct answers are on page 8, column 3.

- The people were convinced that the king's ideas of governing were *archaic* (är-kā'ik). (a) praiseworthy (b) unjust (c) outdated.
- The political writer seemed to be *omniscient* (ōm-nish'ēnt) in his news analyses. (a) too critical (b) one-sided (c) impartial (d) all-wise.
- Large numbers of Arabs are *nomads* (nō'māds). (a) wanderers (b) vegetarians (c) cave-dwellers (d) rug-makers.
- The senator's *pyrotechnics* (pī-rō-tēk'nīks) overwhelmed his audience. (a) vast information (b) evasions (c) oratorical fireworks.
- The allies felt that the time had come to *raze* (rāz) this particular military base. (a) raise (b) destroy (c) improve (d) replace.
- His daily column contains *mor-dant* (mōr'dānt) criticisms of the party's policies. (a) unprejudiced (b) sarcastic (c) prejudiced (d) useful.

AMERICAN OBSERVER

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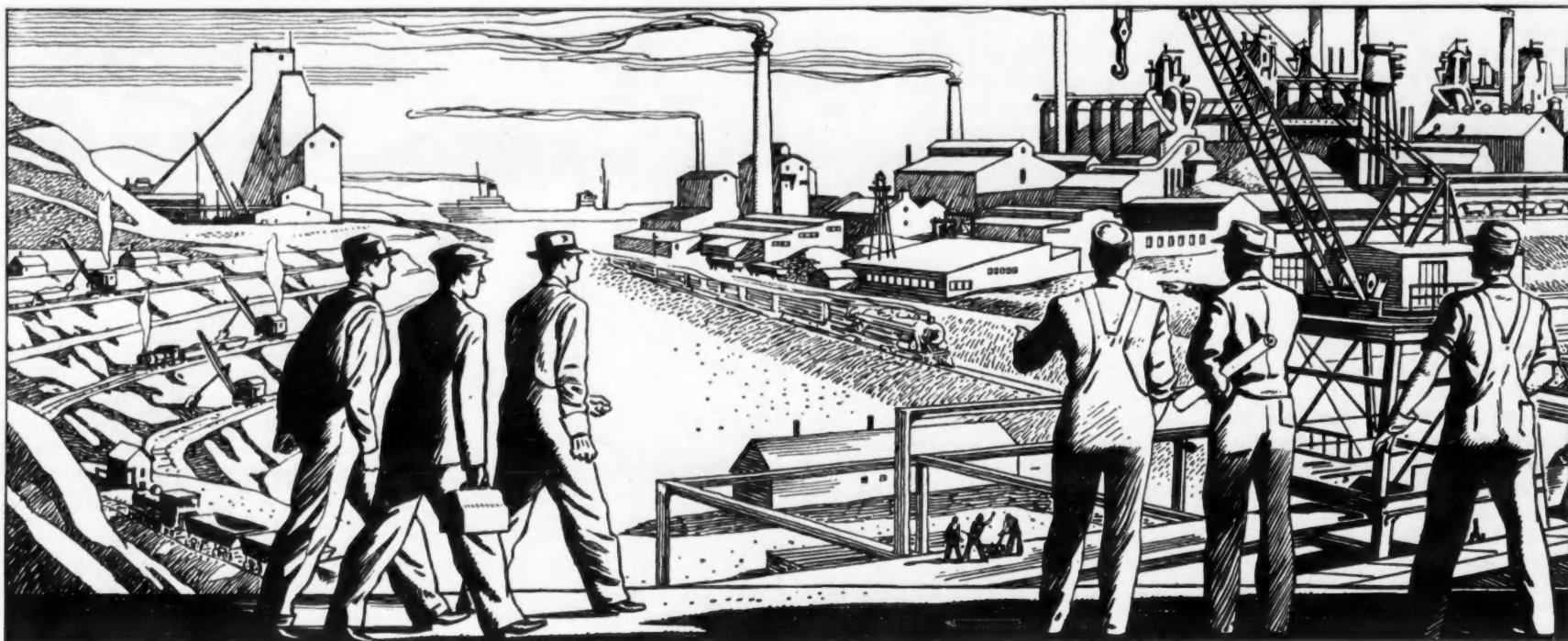
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MODERN U. S. INDUSTRY. The mine, ship, steel mill, and workmen in this drawing symbolize the material accomplishments of our nation.

Business Picture

(Continued from page 1)

Less was produced for each man, woman, and child in 1957 than in 1956.

However, the average income per person last year—after deduction of taxes—was \$1,752. This figure has risen nearly 50% in 10 years, and the 1957 average is an all-time high.

Price increases, though, have swallowed much of the gain. In fact prices outstripped earnings during 1957, so that the average person's total income bought less than in 1956.

The nation averaged more than 65,000,000 jobholders last year—an all-time record. But, during the fall and early winter, the business decline caused hundreds of thousands of workers to lose their jobs. There were 3,374,000 unemployed in December, compared to 2,508,000 in October.

In short, the American economic picture is mixed. Output of goods and services reached a new high in 1957, yet did not keep pace with population growth. Average earnings climbed to a new peak, but prices and living costs rose even faster. There are jobs today for many millions of people, but unemployment is increasing. Business activity, after booming for several years, is now tapering off.

What lies ahead? As we have noted, President Eisenhower and his economic advisers say that conditions will improve during the current year. Certain other observers believe that the downward trend may last much longer than the President expects. Practically everyone, however, is confident that we do not face a severe depression such as the one which began in 1929 and lasted into the 1930's.

Tragic times. Americans who are old enough to remember that great depression look back upon it as a time of anxiety and hardship.

Prices of farm products fell to pitifully low levels. Numerous farmers, unable to repay loans and meet other expenses, lost their land.

Most people had very little money to spend on automobiles, clothing, or anything else. As a result, manufacturers were forced to shut down many of their factories. Large numbers of businesses "went broke" and were unable to repay the loans they had ob-

tained from banks. Thousands of banks failed, and depositors saw their savings destroyed.

In 1932 and 1933, nearly 13,000,000 workers—about 1 out of every 4 in the nation—were unable to find jobs.

Conditions began to improve after 1933. But the unemployment problem remained serious until about 1940, when we launched the defense production effort which accompanied World War II.

Prosperity. Since the end of that war, the average American has prospered. Jobs have been plentiful. Production and earnings have set new records nearly every year.

This doesn't mean that the country has been free of economic problems. Certain groups—such as the farmers—argue that they haven't shared fully in the general prosperity. Farmers' earnings from the sale of crops and livestock, during many of the postwar years, have been comparatively low in relation to their expenses.

Another tough problem has involved prices and living costs. Prices have been driven upward by a heavy demand for practically everything, so that by 1957 the average consumer was paying \$127 for goods and services that would have cost him only \$100 just 10 years earlier. There was a period of more than a year, ending last September, when living costs moved upward *every month*.

Such a trend—generally known as *inflation*—means hardship for many people. It is true that the average person is far better off today than 10 years ago, because his earnings have risen faster than prices. But averages don't tell the whole story. There are many people whose incomes have risen slowly or not at all.

Take, for example, the retired men and women who live on pensions or on interest from savings. Their incomes do not increase, and so they can't buy as much now as they could when prices were lower. Also, the nation has sizable groups of salaried workers—teachers in certain localities, for instance—whose earnings haven't kept pace with rising prices.

During much of 1957, the question of how to cope with inflation was a subject of intense interest throughout the country. Last September, President Eisenhower cited it as America's "major problem" so far as purely national affairs were concerned.

Then business activity began to slow down. Last October, for the first time in 14 months, average living costs did not rise. (They went up again in November, then remained steady as the year ended.) Output of steel and various other products declined. Unemployment increased. The period of inflation—and of intensive demand for goods and services—had tapered off, at least temporarily.

What had happened? Observers are in considerable agreement on the following points:

A boom can't be expected to last forever. Though U. S. production and business activity show a general upward trend, they don't rise in an unbroken line. If there is too rapid a climb, it is almost certain to be balanced later by a slowdown such as we are having now.

During the boom—or period of inflation—Americans were buying homes, automobiles, household equipment, and other items at a tremendous rate—and frequently on credit. Businessmen were hurrying to expand their plants and factories, thus creating a big demand for construction materials. A widespread attitude was: "Buy now, before prices go even higher."

As prices continued their upward spiral, however, buying began to level off. Merchants, whose stores were heavily stocked with goods, became more cautious about ordering new supplies from manufacturers. There was a slackening in the expansion of factories and other enterprises. At the same time, our sales abroad—which had risen during 1956 and the early part of 1957—began to decline for various reasons.

Last summer, too, the federal government made a strenuous drive to reduce military spending. This action cut down on business activity in many parts of the nation.

Also, in a deliberate effort to check inflation, the government had been taking steps that made it more difficult for banks to lend money. These measures were taken through the Federal Reserve System, which has a great deal of control over the nation's banking. By limiting people's ability to borrow and spend, the Federal Reserve System thus put a brake on business activity. (Since the setback began, Federal Reserve has moved in the opposite direction and has taken steps which

make it somewhat *easier* for banks to lend money.)

The future. Why do most observers doubt that the present economic decline will develop into a severe depression such as the one that began in 1929?

First, our federal government is now spending more than 22 times as many dollars per year as it spent in 1929. When the government spends money—placing big orders with manufacturing concerns for weapons and other items—it provides jobs and purchasing power for large numbers of Americans. Defense outlays are now increasing, and it seems certain that federal spending will stay at a high level in the foreseeable future.

Furthermore, the American population is growing rapidly. This growth stimulates the national economy by creating a heavier and heavier demand for goods and services.

Also, we have a nation-wide social security program that provides benefit payments to retired persons, unemployed workers, and various other groups. It gives buying power to large numbers of people who otherwise could purchase very little. Thus it helps ward off a really severe business drop. We had no such social security program in 1929.

Uncle Sam now protects farm prices against falling to the low levels that they reached in the 1930's. At present, there is a bitter political dispute as to *how much* protection the farmers should receive, and we shall discuss it fully within the next several weeks.

Nearly all individual bank deposits up to \$10,000 are now fully insured by the U. S. government. Most people today aren't in danger of losing their money through bank failures. In the early 1930's, such failures were among the chief causes of panic.

The government has a very direct interest in trying to make sure that business conditions remain fairly healthy. If there is a bad setback, and if people's incomes drop, the federal treasury will receive less income-tax money. Then Uncle Sam will have to borrow large sums in order to meet his heavy expenses, thus increasing the already huge national debt.

Finally, there is a changed attitude about the government's role in economic affairs. In general, both major political parties accept the idea that the federal government has a great deal of responsibility for guarding

against depression. Thirty years ago, this idea wasn't so widely accepted.

Wages and prices. President Eisenhower believes that the nation will recover from its business lag without any sweeping governmental action. But there are policies, he contends, that labor and management should follow in order to speed recovery.

Both groups, he argues, must do their best to prevent further price increases which would make it more difficult for consumers to buy large quantities of goods. He asks businessmen to avoid unnecessary price boosts, and he urges laborers to be moderate in their requests for higher wages.

Many people have expressed agreement with the President on these points, but there have also been numerous criticisms. Labor leaders, for example, argue that sizable wage increases would provide more money for workers to spend, and would therefore promote prosperity.

At the same time, businessmen say that they may need to boost prices further if wages and other major costs keep rising.

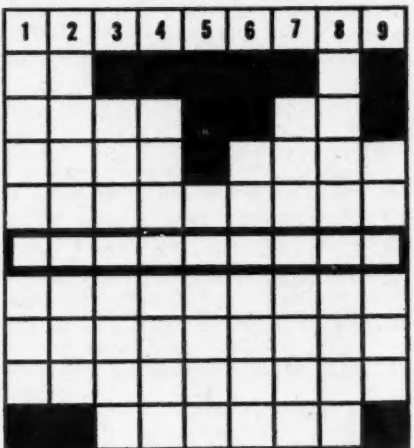
In conclusion. The economic system of our vast nation is extremely complicated. Forces at work within it are pushing in many different directions. Making this machine operate smoothly is a tremendously tough job for the government and for private groups as well. —By TOM MYER

CURRENT AFFAIRS PUZZLE

Fill in numbered rows according to descriptions given below. When all are correctly finished, heavy rectangle will spell the name of a famous Chinese leader.

1. The Reds are today working on a big program to develop _____ in Communist China.

2. When leaders of either political party call special meetings of their members in Congress to talk over legislative business or tactics, such get-togethers are called _____.



3. The U. S. idea of free competition and equal opportunity in seeking trade with China was long known as the _____ (two words) policy.

4. _____ is the capital of Wyoming.

5. The headquarters of the Chinese Nationalists is located on _____.

6. The nation's social security program provides benefit payments for _____ persons.

7. This week, if you are a _____ (two words), you will be celebrating the 48th birthday of your organization.

8. In the country of _____, if no one candidate receives a majority of the votes in a presidential election, the 66 members of Congress decide who is to hold the job.

9. The major Chinese port of _____ saw, in the 1780's, the very beginning of U. S. trade with that country.

Last Week

HORIZONTAL: Magsaysay. VERTICAL: 1. incomes; 2. Iraq; 3. Congress; 4. Johnston; 5. fiscal; 6. Olympia; 7. Brussels; 8. education; 9. mayor.



POLITICALLY TROUBLED Guatemala extends from the Pacific Ocean about 170 miles to the Gulf of Honduras, which is a part of the Caribbean Sea

Future of Guatemala?

Central American Land Needs Stable Government

GUATEMALA, like a number of other Latin American countries, is still struggling to establish a strong and stable democratic government. The unrest of the people, as they search for the right road to the future, can be seen in the light of the presidential elections just held, and by a quick look at recent events.

In 1954, the pro-communist government of President Arbenz was toppled by the forces of Castillo Armas in a brief revolution. When Armas became President of the governing military body, he returned the lands which had been taken away from the American-owned United Fruit Company. It, in turn, agreed to pay the Guatemalan government 30% of the profits that the company made from its banana production and other business activities in that land.

This amount was larger than had previously been paid, and the new arrangement was satisfactory to Guatemala, which needed the money, and to the U. S. business interests involved.

Unfortunately, however, Armas did not turn out to be an acceptable leader to many Guatemalans and, in July of 1957, he was assassinated. The Vice President of the Guatemalan Congress was appointed to be Provisional President, and an election was set for the following October.

A leader named Miguel Ortiz Pasarelli was proclaimed President after this election, but his opponents protested the fairness of the balloting. Rioting in the country was quelled by a 3-man military committee (junta) that seized power. This gave restored order, set up a temporary government, and promised another election on January 19, which was held.

There were 3 candidates in the race. One was General Miguel Ydigoras Fuentes. He has been described as a "military extremist," and he is determined to protect the landowners and other privileged classes in Guatemala. This educated group is able to get out a sizable number of votes in elections.

Another candidate was Lt. Col. José Luis Cruz Salazar, leader of the "middle-road" National Democratic Movement. He favors gradual social and economic reforms for his country. He was a well-liked ambassador to the United States some years ago; hence, if he were selected for the presidency, his choice would be a popular one here.

The third contestant was Mario Mendez Montenegro, who, while not

actually a communist, accepts the support of Guatemalan Reds.

In that country, if no candidate receives a clear majority of the total votes cast (51%), the one-house Congress of 66 members may choose either of the 2 top vote-getters as President. General Miguel Ydigoras Fuentes received many more votes than did his opponents, but he did not have a majority.

As we go to press, the Guatemalan Congress is in the process of selecting the President. Whatever its decision may be, there will probably be serious political conflicts in Guatemala for some time to come. Moreover, the future of U. S. business interests there is expected to be uncertain.

The scenic country of Guatemala seems an inappropriate site for political strife. It has been called by tourists "the land of perpetual spring" and "a tropical Switzerland." The area of 42,042 square miles is roughly the size of Tennessee.

The more than 3,000,000 inhabitants live in 2 regions: one, an inland mountainous area; the other, a coastal strip with 70 miles on the Atlantic and 200 on the Pacific. The capital, Guatemala City (294,000 population) is inland in the south of the country.

Part of Guatemala's difficulties can be explained by the low educational standards of the country. Approximately 72% of the people can neither read nor write, and only about 1 out of 10 votes in elections. The average annual income per person is \$183, compared to nearly \$2,000 in our country.

Almost three-fourths of the people of Guatemala are farmers. The soil is very fertile, and the climate is ideal for growing coffee, bananas, corn, and chicle. While living conditions are gradually improving, most of the



Readers Say—

When governmental problems arise, and the people grumble, they may really be blaming themselves. Each and every individual should know how our government is run, and be well informed on public affairs. We shall then be better equipped to choose men to serve us, and we can write to our representatives and tell them of our ideas.

It is our duty, as American citizens, to do these things; and if we want our country to stay free and strong, it is a necessity.

PATRICIA KOCH,
Valley City, North Dakota

Russia is fighting us with ideas. The United States should realize this. We must combat the Red world with our scientific knowledge and free ideas, otherwise the Russians will win mind after mind. No war has ever stopped an idea.

The attempt to stop Red aggression with force will lead us nowhere. The people of the world realize that another world war will completely destroy all the good that mankind has achieved. Surely there must be a way of ironing out our problems other than by destructive conflicts.

MARILYN FRANK,
Sycamore, Illinois

Our American press is one of the finest tools of freedom, but it has recently been underrating the abilities of our scientists. The Russian victory in launching the first man-made satellites should enliven our people's interest in scientific progress, but it has given everyone the impression that America is beaten. The U. S. press should build patriotism and instill zeal in the people.

ANNE FARLEY,
Brooklyn, New York

I think we should have only 1 branch of military service. This would provide greater cooperation and unity, thereby providing greater defensive and offensive strength.

Some people think the competition between each branch is good, and makes each branch strive for best possible military performance. I disagree. It's my opinion that such competition stands in the way of maximum strength for our nation.

JAMES JENKINS,
Baltimore, Maryland

(Address your letters to: Readers Say, AMERICAN OBSERVER, 1733 K Street, N. W., Washington 6, D. C.)

people continue to be extremely poor.

Thus far, the majority of political leaders in Guatemala have felt that U. S. money and management are helping to develop the country economically. The communists, though, have carried on a constant attack against American business interests there. They claim that the nation would progress faster if foreign companies were driven out and their commercial enterprises were taken over by the government.

The election returns show that a number of people in Guatemala side with the communists. A sizable majority, on the other hand, continue to be pro-American and to feel that U. S. business concerns are helping rather than hurting the country. Nevertheless, there may be increased demands for a still larger share of profits from foreign companies, and possibly for greater Guatemalan control over them.

The problems of this Central American land would be difficult to solve even if reason prevailed in dealing with them. But adding the intense emotion of the rival groups is like putting a match to the political firecracker. Certainly this is an explosive situation. What will happen? We can only watch and wait for the answer.

—By ANN RICHARDSON

They Don't Think

By Cley Coss

ONE of my friends in the educational field was recently asked to talk at a parent-teacher meeting. He began by telling this story:

"A speaker lectured to the members of a literary society, and at the end of his address the secretary approached him with a check. This he politely refused, saying that it might be devoted to some charitable purpose.

"Would you mind," asked the secretary, "if we add it to our special fund?"

"Not at all," said the speaker. "Now would you mind telling me the purpose of the special fund?"

"No, indeed," came the reply. "It's to enable us to get better lecturers next year."

This is intended as humor, but the tactless individual whom it portrays is, in reality, all too common to be funny. Such persons go thoughtlessly about their way, saying whatever comes to their mind without thinking, and constantly making remarks which hurt the feelings of others.

Susan, for example, brags to a group of girls about having been asked by three boys to go to the school dance. One of the girls, Joan, can't go to the dance, because no one has invited her.

Bill shows his straight-A report card to Dan—without first finding out that Dan has failed one subject and has done poorly in another.

Sally is constantly talking about her family's new cars and other expensive possessions despite the fact that the parents of several of her friends cannot afford such luxuries.

The tactless person can bring heartaches to others and unhappiness to himself. He is bound to lose friends and make enemies. His remarks cause embarrassment for all those around him, even the ones who are not victims of his thoughtlessness but who sympathize with those who are.

If one wishes to associate smoothly and agreeably with others, he must think about the comments he makes.



SHE SPOKE thoughtlessly, without knowing one in the group wasn't invited

He must try to consider in advance what the effects of his words or acts may be. Even while doing this, he is bound to say the wrong thing occasionally. Nevertheless, he will offend others far less frequently if he thinks before he speaks than if he just blurts out anything that comes into his mind.

The lack of tact is often fatal to the best of talents. However much ability a person may have, he cannot be fully effective—cannot make the contribution of which he is capable—if he is always offending others by his ill-considered remarks.



AMERICAN AND CHINESE soldiers during World War II, when the United States and China fought as allies against Japan and Germany

Historical Background

U. S. Relations with China over the Years

JUST 174 years ago this month—on February 22, 1784—a small sailing ship left New York City's harbor. The ship, *Empress of China*, was headed for the Chinese port of Canton to buy tea.

Our nation was then new. We had won independence in the Revolutionary War. The vessel was first of the young, independent America's trading ships to reach China.

The *Empress* took over a year for the trip to the Far East and back to New York. Her cargo of tea was sold at a great profit, and success of the voyage led to others. Sailing to China to trade furs and other products for tea, spices, and silk became big business in the 1800's.

Commerce thus brought about early U. S. dealings with China. In 1844 we signed our first treaty with that country to fix rules for trade. From then on, American interest in China grew steadily.

Relations with the Chinese were not always good, for foreigners often were looked upon with suspicion. During an uprising in 1900, known as the Boxer Rebellion, numerous foreigners were killed and their property destroyed.

France, Britain, the United States, and other nations used their troops to end the rebellion. The Chinese government was required to pay \$333,000,000 to the countries whose citizens had been killed or had suffered property damage.

The Boxer Rebellion was an unfortunate affair, and other difficulties arose from time to time. On the whole, however, U. S. relations with China were good. Our dealings with the Asian land were based on 2 main principles—equal opportunity for all nations in trade, and respect for the independence of China's government.

The idea of equal opportunity—competition for business—was made a part of our first treaty with China in 1844. European nations had gained special privileges. Some countries actually controlled ports, and could keep competitors from doing business. The U. S. government worked steadily to win the same commercial rights for all countries. By 1900, our proposals

were known as the *Open Door Policy*.

In the late 1800's, as in centuries past, emperors governed China. The empire was weak. There was danger that it would fall completely under foreign rule. Seeking to offset this danger, the United States declared its policy to work for Chinese independence on July 3, 1900.

In 1911, the Chinese people revolted against their emperor. A republic was set up with Sun Yat-sen (who had lived for some years in the United States) as the first president.

The U. S. government followed the policy of keeping hands off, and allowing the new republic to try to unite the weak country. In the late 1920's, Chiang Kai-shek had become leader of China. He managed to establish his government over most of the country, although he had many political troubles.

From the very beginning of our relations with China to the days of Chiang, 2 nations sought steadily to upset free trade and Chinese independence. These lands were Russia and Japan.

Russia gained rights over railways, mines, and other property in northern Manchuria—a Chinese industrial area—and Japan had a foothold in southern Manchuria by 1902. U. S. protests were heeded at times, but often they were not.

Japan—gaining an advantage over Russia—moved in to conquer all of Manchuria in 1931, and undertook conquest of the rest of China in 1937. Japan was almost successful, but her dictatorial government lost World War II. Her hold on Chinese territory was then ended.

Russia, a victor in the world conflict, moved back into the picture. She aided Chinese communists, who had been organized since 1921, in the conquest of the huge China mainland. Chiang Kai-shek was forced to flee to the island of Taiwan (see page 1 article).

—By TOM HAWKINS

Answers to Your Vocabulary

1. (c) outdated; 2. (d) all-wise; 3. (a) wanderers; 4. (c) oratorical fireworks; 5. (b) destroy; 6. (b) sarcastic.

News Quiz

Business Conditions

1. In the United States during the last 10 years, how has the growth in total output of goods and services compared with population growth? Which was more rapid in 1957?

2. In comparison with 1956 figures, would the average person's 1957 income buy more, less, or about the same amount of goods and services?

3. As of last December, about how many people were unemployed: 1,991,000; 3,374,000; 7,458,000; or 13,000,000?

4. Briefly describe conditions during the great depression that began in 1929.

5. What is inflation? Why does it mean hardship for many people?

6. Mention some developments which led up—or contributed—to the present business decline.

7. Give some reasons why most observers think we are not heading for a really severe depression.

8. What does President Eisenhower now ask businessmen and laborers to do?

Discussion

1. What do you regard as the most serious aspect of our country's economic situation today? Give reasons.

2. In your opinion, what is the most important influence now at work against the development of a severe depression? Explain.

Divided China

1. Why have many young people been forced to leave school in Red China during recent months?

2. Compare the 2 Chinas in size and population.

3. Why is crop output lagging in communist China?

4. Describe the Reds' industrial program.

5. What are living conditions like in the Far Eastern communist land?

6. Tell how Mao's government has reacted to criticism of the regime.

7. What ties exist between Russia and Red China?

8. What are the arguments for and against U. S. recognition of Red China?

9. Give the opposing points of view on admitting that country to the UN.

Discussion

1. Some Americans believe the Reds may eventually be overthrown in China. Others say we have waited years for the same thing to happen in Russia but it never has, nor will it in China. What are your views?

2. Do you favor or oppose U. S. recognition of Red China? UN membership for her? Defend your position.

Miscellaneous

1. Why was former President Jiménez unpopular with many people of Venezuela?

2. What are some arguments for and against President Eisenhower's proposal for military pay boosts?

3. Tell something about the background of Mao Tse-tung; Chou En-lai; Chiang Kai-shek.

4. What new government department, headed by a secretary with Cabinet status, is being proposed?

5. What announcement have Britain and the United States recently made with respect to hydrogen energy?

6. Describe recent events in Guatemala. What role do U. S. business interests play in that country's affairs?

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